

SITE OF SERVICE PAYMENT DIFFERENTIAL

The department implemented a site of service payment differential on July 1, 2000. This differential is based on the HCFA's payment policy and establishes distinct maximum fees for services performed in facility and non-facility settings. The department will pay professional services at the RBRVS rates for facility and non-facility settings based on where the service was performed. Therefore, it is important to **include a valid two digit place of service code on your bill.**

The department's maximum fees for facility and non-facility settings are published in the "CPT & HCPCS Fee Schedule" section.

Services Paid at the RBRVS Rate for Facility Settings

When services are performed in a facility setting, the department makes two payments, one to the professional provider and another to the facility. The payment to the facility includes resource costs such as labor, medical supplies and medical equipment. To avoid duplicate payment of resource costs, these costs are excluded from the RBRVS rates for facility settings.

Professional services will be paid at the RBRVS rate for facility settings when the department also makes a payment to a facility. Therefore, services billed with the following place of service codes will be paid at the rate for facility settings:

Place of Service Code	Place of Service Description
21	Inpatient hospital
22	Outpatient hospital
23	Emergency room- hospital
24	Ambulatory surgery center
25	Birthing Center
26	Military treatment facility
31	Skilled nursing facility
51	Inpatient psychiatric facility
61	Comprehensive inpatient rehabilitation facility
62	Comprehensive outpatient rehabilitation facility
99	Other unlisted facility
(none)	(Place of service code not supplied)

Services Paid at the RBRVS Rate for Non-Facility Settings

When services are provided in non-facility settings, the professional provider typically bears the costs of labor, medical supplies and medical equipment. These costs are included in the RBRVS rate for non-facility settings.

Professional services will be paid at the RBRVS rate for non-facility settings when the department does not make a separate payment to a facility. Therefore, services billed with the following place of service codes will be paid at the rate for non-facility settings: